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C O N F I D E N T I A L SECTION 01 OF 02 JERUSALEM 002337

SIPDIS

NEA FOR FRONT OFFICE AND IPA; NSC FOR SHAPIRO/KUMAR

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TAGS: [PGOV](#) [PREL](#) [KPAL](#) [IS](#)

SUBJECT: JERUSALEM MUNICIPALITY REPACKAGES LATEST ZONING  
SCHEME FOR ARAB HOUSING

REF: A. JERUSALEM 2273

[B. JERUSALEM 2063](#)

[C. JERUSALEM 2323](#)

[D. JERUSALEM 1790](#)

Classified By: Consul General Daniel Rubinstein,  
per reasons 1.4 (b) and (d)

[1](#)1. (C) Summary: Jerusalem municipal officials briefed Post on December 23 on the latest version of Mayor Nir Barkat's plan for the redevelopment of the currently Arab-inhabited al-Bustan area of Silwan in East Jerusalem. Barkat's proposal calls for the demolition of 19 of al-Bustan's 97 homes, and the re-zoning of the remainder in order to make way for a tourist park and high-end commercial-residential neighborhood. The al-Bustan proposal is one of a number of smaller-scale East Jerusalem planning initiatives introduced by Barkat since his "Jerusalem Master Plan" ran aground in discussions with national-level officials in the spring of [2009](#). Barkat's critics argue that the al-Bustan initiative, like Barkat's recent proposal for the re-zoning of the larger Silwan area (Ref A), is primarily intended as a public relations gimmick. End Summary.

[1](#)2. (C) Jerusalem Mayoral aide Stephan Miller and municipal project manager Itay Tsachar briefed Post (at the Mayor's request) on December 23 on the latest version of Mayor Barkat's plan for the redevelopment of the al-Bustan area of East Jerusalem. Note: Al-Bustan is a cluster of 97 low-income Arab homes occupied by 634 residents, located on the western edge of the neighborhood of Silwan to the south of the Haram al-Sharif/Temple Mount complex. End Note. Miller and Tsachar displayed historical photographs demonstrating that the al-Bustan area, which they identified as the garden in which King Solomon wrote the biblical Song of Songs, was largely unsettled marshland until the early 1990s, when municipal sewage and drainage improvements enabled spillover construction from the neighboring slopes of the Arab neighborhood of Silwan.

[1](#)3. (C) Miller said that 43 houses in al-Bustan are currently slated for demolition, and that the remainder are subject to being condemned, as all were constructed illegally. Note: In the 1970s, the area in which al-Bustan and much of today's Silwan neighborhood stand were zoned as "green areas" in which residential construction is prohibited. End Note. Miller added, "We acknowledge that this (situation) is a symptom of a lack of proper planning in East Jerusalem. And we must take into account reality on the ground, which is that people consider these (buildings) their homes. But we also must consider law and order. These are complete slums. This is not what Jerusalem should be."

[1](#)4. (C) Miller and Tsachar presented maps and architectural drawings illustrating a re-developed al-Bustan, in which a tourist park (to be established through the demolition of 19 existing homes) and cultural center would occupy 20 percent

of the area's current geographic footprint, with the remaining 80 percent to be taken up by multi-storey residential buildings zoned for ground-floor commercial use. The proposal also envisions the construction of a public library and senior citizens' center at al-Bustan's southern tip. Miller and Tsachar claimed that legal homes for all current al-Bustan residents could be made available -- through retroactive legalization and/or new construction -- on the 80 percent of al-Bustan slated for residential use under the Mayor's proposal.

15. (C) Post officers asked how al-Bustan's low-income residents living in the 20 percent of the area planned as future garden space would finance their relocation to plots in the western 80 percent of the neighborhood, and how residents of that 80 percent would fund the re-development of their properties into upscale multi-story housing, as envisioned in the plan. Miller said that the Municipality would need to raise tens of millions of U.S. dollars in capital from international investors to finance the project. He also noted that financial assistance for al-Bustan's development would likely be requested from foreign governments. Note: Planning, permitting, and construction in East Jerusalem's large Israeli neighborhoods does not rely on foreign government funding sources, and is generally GOI-sponsored. End Note.

16. (C) Barkat critics affiliated with NGOs Ir Amim and Peace Now argue that the al-Bustan redevelopment concept, like the Mayor's recent proposal that the larger Silwan neighborhood be re-zoned from a height restriction of two to four stories (Ref A), is one of a series of political

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maneuvers on the Mayor's part designed to create the false impression that the Municipality is moving forward on residential zoning reform for East Jerusalem's Arab residents. The Municipality's actual intention, these critics maintain, is to deflect international criticism of the GOI's granting of planning permission and construction tenders for the expansion of Israeli neighborhoods in East Jerusalem, such as the 844 units approved for construction in "Mordot Gilo" on November 17 (Ref B), and the announcement on December 27 of 692 tenders to be published for the construction of new units in Neve Yaakov, Pisgat Zeev, and Har Homa (Ref C).

17. (C) Miller acknowledged that the al-Bustan proposal remains in the design phase, and has not been presented to higher-level planning officials. NGO activists noted that the Silwan re-zoning proposition -- which was cited by GOI officials on December 28 as "enabling" the construction of 500 new Arab homes in East Jerusalem (Ref C) -- would also need to be submitted for the consideration of several planning councils, and that its approval was not a foregone conclusion. Note: According to municipal officials and Israeli media, Barkat's overall city planning scheme, called the "Jerusalem Master Plan," was withdrawn by the municipality from consideration at the district planning committee level in July 2009 following complaints from right-wing GOI officials and Minister of Interior Eli Yishai that the plan would potentially allow too many new housing units for Arabs in East Jerusalem. End Note.

18. (C) Miller claimed that municipal officials continued to work with residents of al-Bustan to attempt to win their support for the redevelopment proposal, and that he hoped all residents would be "on board" before the Municipality submitted its final proposal to Israeli planning officials, which Miller predicted would take place sometime "in early 2010." He also said that should the al-Bustan proposal be approved by the relevant planning councils, the Municipality would "try" to ensure that the homes of al-Bustan residents living today in the 20 percent of al-Bustan slated to become a tourist park would not be demolished until alternative residences were identified for the evicted families. Miller

noted, however, that he was not able to offer municipal guarantees on either point.

¶9. (C) Comment: The al-Bustan plan presented to Post on December 23 tracked quite closely with the proposal Mayor Barkat presented to the Consul General and Ambassador Cunningham on October 7. Ziad Kavar, legal representative for the residents of al-Bustan, told Post in the days prior to Miller and Tsachar's briefing that "substantial gaps" remained between the current municipal proposal and the position of al-Bustan residents, and that he did not believe any comprehensive agreement between the two parties was on the horizon. It is therefore not clear what motivated the timing of Miller and Tsachar's briefing to Post -- which they said had been directly tasked to them by Mayor Barkat -- other than the likely desire to repackage what had already been briefed to the USG in an attempt to portray the Municipality and the GOI as concerned with the needs of the city's Arab population on the eve of the GOI's announcement of significant Israeli settlement expansion in East Jerusalem.

¶10. (C) Comment, continued: Barkat's office has publicly sought to represent the Mayor as a reluctant enforcer of zoning laws which limit Arab construction, and an eager partner in efforts to reform existing regulations to allow for the retroactive legalization of Arab homes in East Jerusalem built without permits (unavailable in the absence of a municipal "Master Plan") and the legal construction of new homes to accommodate East Jerusalem's expanding Arab population. So far, however, multiple municipal announcements of new initiatives in this area have not been accompanied by any tangible progress on the ground, while plans to expand Israeli neighborhoods over the Green Line proceed apace. End Comment.

RUBINSTEIN